

Guerra; Office of Management and Budget Director Mitchell Daniels, Jr.; Domestic Policy Adviser Margaret LaMontagne; Intergovernmental Affairs Director Ruben Barrales; Deputy Assistant to the President Marc Sumerlin, National Economic Council; Small Business Administrator-designate Hector V. Barretto; George Herrera, president and chief executive officer, U.S. Hispanic Chamber of Commerce; and President Vicente Fox of Mexico.

Remarks Following a Meeting With the National Energy Policy Development Group and an Exchange With Reporters

March 19, 2001

The President. Thank you all for coming. I appreciate the Vice President calling this meeting. It's a meeting to bring me up to speed as to what the committee that we put together to look at the energy situation in America, where we are. His group is making good progress. Obviously, this is an issue that this administration takes very seriously. We've assembled senior members of the Cabinet to analyze the situation and to come up with recommendations.

It is clear from first analysis that demand for energy in the United States is increasing, much more so than production is. And as a result, we're finding in certain parts of the country that we're short on energy. And this administration is concerned about it, and we will make a recommendation to the country as to how to proceed.

But one thing is for certain: There are no short-term fixes—that the solution for our energy shortage requires long-term thinking and a plan that we'll implement that will take time to bring to fruition. It not only includes good conservation but, as well, exploration for oil and gas and coal, development of energy sources that exist within our 50 States.

It also requires good foreign policy, and that's—in order to increase the amount of energy available for American consumers, we've to work closely with our neighbors to the north and the south, which we will do.

And so, Mr. Vice President, thank you. You've done good work, and we look forward to reporting to the Nation when your report is final.

OPEC Production Limits

Q. Mr. President, during the campaign you said that you'd be able to work with our allies in OPEC to get them to restrain the prices. Given what happened over the weekend, what went wrong? Do you consider it a direct rebuff to your administration's entreaty? And what are you going to do about it?

The President. The OPEC nations are responding to decreased demand. World demand, they think, is going to decrease, and therefore, they've responded with a million-barrel cut.

The piece of good news in their decision was that the Saudi minister made it clear that he and his friends would not allow the price of oil, crude oil, to exceed \$28 a barrel. That's very comforting to the American consumer, and I appreciate that gesture. I thought that was a very strong statement of understanding, that high prices of crude oil will affect our economy.

Having said that, it's important for American consumers to understand that if we have a price spike in refined product, it's not going to be because of the price of crude oil being at \$25 or \$26 a barrel. It's going to be because we don't have enough capacity, refining capacity; we're not generating enough product. And that's another issue that we'll be dealing with, is how to make sure we can get refined product to our consumers.

Q. So this cut in production won't have an impact on gasoline prices this summer?

The President. We don't think so. We think that the major—the major impact on gasoline prices, if they go up, is a result of not generating enough supply—enough refined product to meet the demand of U.S. drivers. And we haven't built a refinery in 25 years in America. We're not generating enough gasoline to meet demands. It's the same as natural gas. We're not exploring for enough natural gas to meet demand; we're not building enough power generating plants to meet demand; and we're beginning to pay the price for it.

America has got to understand that energy is an issue, and we're going to deal with it.

Strategic Petroleum Reserve

Q. Mr. President, you say there are no short-term fixes, but are you considering, or will you consider short-term options in case there are shortages this summer, such as tapping into the Strategic Petroleum Reserve?

The President. We've been through that before. The Strategic Petroleum Reserve is meant for a national emergency when it comes to war. There are some things we can do. We can work with California, at the Governor's request, to expedite permitting. And Administrator Whitman has done an excellent job of working with California to encourage and enable California to more speedily build plants.

The energy crunch we're in is a supply and demand issue. And we need to reduce demand and increase supply. The best public policy is to understand that, and that's what we're going to do.

Hemispheric Energy Resources

Q. Mr. President, what about tapping Mexico's oil reserves? Have you thought about what that—

The President. Well, we had a good discussion. I had a very good discussion with Vicente Fox. And Secretary Abraham had a very good discussion with his counterpart from Mexico. Mexico has to make the decision as to whether or not they will be willing to allow foreign capital to explore for oil and gas in their country. That's the Mexican decision to make.

I encouraged the President to begin allowing foreign capital to explore for natural gas in Mexico. It would be to our benefit. Gas is hemispheric. An mcf of gas found in Mexico is beneficial for the United States and Canada, even though it's found in Mexico. And the Vice President and I have had discussions with Prime Minister Chretien about exploration for natural gas.

A good energy policy is one that understands we've got energy in our hemisphere and how best to explore for it and transport it to markets. So you bet, we've continued discussions with Mexico, as well as Canada.

Meeting With Black Ministers

Q. The black religious leaders that you met with this afternoon, they emerged from the

meeting and were very highly complimentary of you and your faith-based plan. Were you encouraged about the meeting that you had with them as much as they were? And how crucial is their support to your Faith-Based Initiative?

The President. Well, the black ministers with whom I met are very crucial for helping change the neighborhoods and communities in which they live. Many of those preachers are bishops over churches that have got great programs and change people's hearts and provide hope in neighborhoods where there is no hope. So I view them not as agents of politics; I view them as agents of change. And they are supportive of our efforts to empower people to be able to make choices as to where to find services and help. And I am supportive of their efforts to provide help where help is needed. And I really appreciate them coming, so I was very encouraged by the meeting.

NOTE: The President spoke at 4:50 p.m. in the Cabinet Room at the White House. In his remarks, he referred to President Vicente Fox of Mexico; Gov. Gray Davis of California; and Prime Minister Jean Chretien of Canada. A tape was not available for verification of the content of these remarks.

Remarks to Women Business Leaders

March 20, 2001

Thank you. Thank you for being here. Please sit down. First Lady—it's got a nice ring to it. [Laughter] I'm proud of Laura. She is—she makes this White House special for me. She is—brings a lot of perspective to our household. She kind of reminds the President where he came from—[laughter]—and always makes sure my tie lies straight. But I'm proud of the job she's doing for America, and she's going to be a great First Lady.

And I am proud of the ladies behind me, as well. We've put together a great Cabinet. They're not afraid to speak their mind. They're smart. They're capable, and they represent America. And they're good; they're really good. We've got a great Cabinet, and